Appendix 4D
Half-Year Report

Listing Rule 4.2A.3

Company	VGI Partners Limited
ASX Code	VGI
Half-Year Ended	30 June 2019
Previous corresponding period Half-Year Ended	30 June 2018
ABN	33 129 188 450

Results for Announcement to the Market

Announcement to the market for VGI Partners Limited's consolidated group (the "Group") should be read in conjunction with the attached 30 June 2019 Interim Financial Report and the Financial Report for the six months ended 31 December 2018.

	Half-year ended 30 June 2019 $000's	Movement	% Movement
Income from ordinary activities	45,989	▼	5%
Profit from ordinary activities after income tax	20,560	▼	28%
Net profit attributable to members	20,560	▼	28%

Due to the recent equity raising in VGI Partners Global Investments Limited ("VG1") completed in June 2019 and the VG1 Fee Waiver that is no longer in effect, the table above should be read in conjunction with the Directors' Report, the Interim Financial Report for the half-year ended 30 June 2019 and the Investor Briefing lodged on the ASX on Tuesday 27 August 2019.

Dividends

Subsequent to the half-year ended 30 June 2019, the directors have declared an interim fully-franked dividend of 25.6 cents per share (30 June 2018: 36.0 cents per share *)

Ex-date	2 September 2019
Record date	3 September 2019
Payment date	16 September 2019

As discussed in the initial public offering ("IPO") prospectus of VGI Partners Limited dated 20 May 2019, a pre-IPO dividend of 16.8 cents per share * fully-franked was paid on 21 June 2019. Refer to the attached Auditor-reviewed Financial Report for financial data on the Consolidated Group.

Net tangible assets per fully paid ordinary share *

30 June 2019	30 June 2018
$1.33	$0.14

* Adjusted for pre-listing share conversion

Additional information supporting the Appendix 4D disclosure requirements can be found in the Directors' Report and the Interim Financial Report for the half-year ended 30 June 2019.

This report is based on the Interim Financial Report for the half-year ended 30 June 2019, which has been reviewed by the Group's auditors, Deloitte Touche Tohmatsu.

VGI PARTNERS LIMITED

ABN 33 129 188 450

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED 30 JUNE 2019

CONTENTS

CORPORATE DIRECTORY

Board of Directors

Robert M. P. Luciano - Chairman
Douglas H. Tynan - Director
David F. Jones - Director
Jaye L. Gardner – Independent Director
Benjamin A. Pronk – Independent Director
Darren J. Steinberg – Independent Director

Company Secretary

Anna M. Trotman

Investor Relations Manager

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Investment Manager

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ASX Code

VGI

DIRECTORS' REPORT

The Directors of VGI Partners Limited (the "Company") present their Directors' Report together with the Interim Financial Report for the half-year ended 30 June 2019. The Interim Financial Report represents the Company and its consolidated entities ("VGI Partners" or the "Group"). In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows.

Directors

The following persons were directors of the Company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Position	Date Appointed
Robert M. P. Luciano	Chairman	15 January 2008
Douglas H. Tynan	Director	1 February 2011
Robert J. Poiner	Director	16 March 2016 – resigned 12 May 2019
David F. Jones	Director	8 August 2018
Jaye L. Gardner	Independent Director	12 May 2019
Benjamin A. Pronk	Independent Director	12 May 2019
Darren J. Steinberg	Independent Director	12 May 2019

Principal activities

The Group continues to trade as a provider of investment management services.

Review of operations

The Company was founded in early 2008 and manages clients' investment portfolios and investment funds by building concentrated long-short portfolios. The total comprehensive income after tax for the half-year ended 30 June 2019 was $20,560,000 (half-year ended 30 June 2018: $28,576,000).

Significant changes in the state of affairs

On 26 February 2019, the Company changed its financial year end close date from 30 June to 31 December, in order to achieve the benefits of balancing its financial reporting requirements for its investment portfolio under management (predominantly June year ends) and its own corporate financial reporting.

In May 2019, the Company (formerly VGI Partners Pty Limited) changed its corporate structure to become a public company and offered ~20% of the Company through an initial public offering ("IPO"). The primary reason of the Offer and listing on the Australian Securities Exchange ("ASX") being to recognise and reward investors who have supported the Company over the last 11 years and further strengthen the alignment between VGI Partners and its clients.

The IPO successfully completed on 20 June 2019 resulting in the issue of 13.6 million new shares. On 21 June 2019, the Company was listed on the ASX.

Dividends

A dividend of $8,975,000 in relation to the pre-IPO retained earnings of the Group was paid to existing pre-IPO shareholders on 21 June 2019. This dividend was fully-franked.

DIRECTORS' REPORT (cont.)

Subsequent events

The Directors have declared a fully-franked dividend of $17,200,000, which will be paid on 16 September 2019.

In accordance with an ASX lodgement dated 5 August 2019, the Company announced that it is at an advanced stage in establishing a new investment strategy focused on equity investments in companies listed in Asia or significantly exposed to the Asian region.

Investors will be able to access this strategy through a new ASX-listed investment company, VGI Partners Asian Investments Limited ("VG8"). Subject to market conditions, invitations to apply for ordinary shares in VG8 in an IPO will be made during the 2019 calendar year.

The Directors are not aware of any other event or circumstance since the end of the financial period not otherwise dealt with in this report, that has, or may, significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Rounding of amounts to nearest dollar

The Group is an entity of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Consolidated Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

A copy of the auditor's independence declaration is set out on page 6.

Signed on behalf and in accordance with a resolution of the Directors made pursuant to s.306(3) of the Corporations Act 2001.

Robert M. P. Luciano, CFA
Executive Chairman

Sydney,
27 August 2019

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
VGI Partners Limited
39 Philip Street
Sydney NSW 2000

27 August 2019

Dear Directors,

Auditor's Independence Declaration to VGI Partners Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of VGI Partners Limited.

As lead audit partner for the review of the half-year financial report of VGI Partners Limited for the half-year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Stuart Alexander
Partner
Chartered Accountants

DIRECTORS' DECLARATION

In the Directors' opinion:

(i) the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134: Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

(ii) the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the half-year ended on that date; and

(iii) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Robert M. P. Luciano, CFA
Executive Chairman

Sydney
27 August 2019

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 30 JUNE 2019

	Note	Consolidated Half-year ended 30 June 2019 $000's	Consolidated Half-year ended 30 June 2018 $000's
Income			
Management fees	2	12,504	8,446
Performance fees	2	32,837	39,466
Net foreign exchange gain/(loss)		(10)	258
Net gain on financial assets/liabilities measured at fair value through profit and loss		2	–
Interest income		80	49
Other income		576	–
Total income		**45,989**	**48,219**
Expenses			
Personnel expenses		5,597	4,278
Research, IT and communications expenses		1,953	1,830
Occupancy expenses		298	227
Depreciation and amortisation		320	57
Donations	9	309	53
Equity raising costs – non-recurring	10	5,724	–
Operating costs of VGI Funds *****		685	657
Other expenses		1,664	1,257
Total expenses		**16,550**	**8,359**
Profit before tax		**29,439**	**39,860**
Income tax expense		(8,879)	(11,284)
Profit for the period		**20,560**	**28,576**
Other comprehensive income, net of income tax		**–**	**–**
Total comprehensive income for the period		**20,560**	**28,576**
Profit attributable to:			
Owners of the Company		**20,560**	**28,576**
Earnings per share: **			
Basic (cents per share)	16	37.46	49.05
Diluted (cents per share)	16	37.37	49.05

* VGI Funds includes two unlisted funds (AUD and USD denominated), Individually Managed Accounts and VG1
** Number of shares for the 2018 comparative is adjusted for pre-listing share split

The above statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2019

	Note	Consolidated As at 30 June 2019 $000's	Consolidated As at 31 December 2018 $000's
Assets			
Cash and cash equivalents		75,960	7,799
Trade and other receivables	5	39,119	8,143
Contract asset		2,376	1,800
Total current assets		**117,455**	**17,742**
Property, plant and equipment		1,270	1,336
Right of use asset	4	1,745	–
Deferred tax asset		4,087	2,091
Financial assets at fair value through profit or loss		63	–
Other assets		379	268
Total non-current assets		**7,544**	**3,695**
Total assets		**124,999**	**21,437**
Liabilities			
Trade and other payables	6	18,597	3,752
Income tax payable		7,809	1,601
Employee entitlements	7	3,334	1,475
Lease liability	4	289	–
Total current liabilities		**30,029**	**6,828**
Trade and other payables	6	1,686	4,149
Employee entitlements	7	142	363
Deferred tax liability		713	–
Lease liability	4	1,462	–
Total non-current liabilities		**4,003**	**4,512**
Total liabilities		**34,032**	**11,340**
Net assets		**90,967**	**10,097**
Equity			
Share capital	8	72,863	616
Share based payments	15	569	–
Reserves		2	–
Retained earnings		17,533	9,481
Total shareholders' equity		**90,967**	**10,097**

The above statement of financial position is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 30 JUNE 2019

	Note	Share Capital	Share Based Payments and FCTR Reserves *	Retained Earnings	Total Equity
		$000's	$000's	$000's	$000's
Balance at 1 January 2018		**929**	**–**	**4,624**	**5,553**
Profit for the period		–	–	28,576	28,576
Dividends paid or payable	11	–	–	(24,674)	(24,674)
Balance at 30 June 2018		**929**	**–**	**8,526**	**9,455**
Balance at 1 January 2019		**616**	**–**	**9,481**	**10,097**
Adjustment to retained earnings from contract asset revenue		–	–	324	324
Share alignment		(41)	–	–	(41)
Issue of ordinary shares		75,000	–	–	75,000
Share based payments		–	569	–	569
IPO costs attributable to equity	10	(3,874)	–	–	(3,874)
Deferred tax on capitalised IPO costs		1,162	–	–	1,162
Profit for the period		–	–	20,560	20,560
Exchange rate translation impact of foreign subsidiaries		–	2	–	2
Dividends paid	11	–	–	(12,832)	(12,832)
Balance at 30 June 2019		**72,863**	**571**	**17,533**	**90,967**

* FCTR represents the foreign currency translation reserve

The above statement of changes in equity is to be read in conjunction with the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 30 JUNE 2019

	Note	Consolidated	
		Half-year ended 30 June 2019	**Half-year ended 30 June 2018**
		$'000	**$'000**
Cash flows from operating activities			
Receipts from customers		14,218	10,972
Interest received		80	49
Payments to suppliers and employees		(5,912)	(3,043)
Income taxes paid		(2,630)	(2,253)
Net cash inflows / (outflows) from operating activities		**5,756**	**5,725**
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(254)	(327)
Purchase of financial assets		(63)	–
Net cash inflows / (outflows) from investing activities		**(317)**	**(327)**
Cash flows from financing activities			
Payment for share alignment		(41)	–
Dividends paid	11	(12,832)	(3,674)
Proceeds from the issue of equity shares		75,569	–
Net cash inflows / (outflows) from financing activities		**62,696**	**(3,674)**
Net increase / (decrease) in cash and cash equivalents		68,135	1,724
Cash and cash equivalents at the beginning of the period		7,799	6,562
Effects of exchange rate changes on the balance of cash held in foreign currencies		26	303
Cash and cash equivalents at the end of the period		**75,960**	**8,589**
Non-cash Activities		**2,203**	**674**

Non-cash activities of $2,203,000 relates to the performance fees that Robert Luciano, Douglas Tynan and Robert Poiner received (on an after-tax basis) from VGI Partners Global Investments Limited ("VG1") that were reinvested into fully paid ordinary shares in VG1 in January 2019.

The above statement of cash flows is to be read in conjunction with the accompanying notes.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2019

1 Summary of Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these condensed consolidated financial statements to the extent they have not already been disclosed in the other notes below. These policies have been consistently applied to all the periods presented and consistent with those adopted and is disclosed in the Group's Financial Report for the six months ended 31 December 2018, unless otherwise stated. The Interim Financial Report is for the Group which consists of VGI Partners Limited and its subsidiaries.

(a) Basis of Preparation

The Interim Financial Report is a general purpose Financial Report prepared in accordance with the *Corporations Act 2001* and *AASB 134 Interim Financial Reporting,* as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The Interim Financial Report does not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements should be read in conjunction with the most recent annual Financial Report as at 30 June 2018, the Financial Report for the six months ended 31 December 2018, and any public announcements made by the Company during the interim reporting period.

(b) Parent entity financial information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only.

(c) Statement of compliance

The financial statements and notes thereto comply with Australian Accounting Standards as issued by the Australian Accounting Standards Board ("the AASB") and International Financial Reporting Standards as issued by the international Accounting Standards Board.

(d) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The condensed consolidated financial statements are presented in Australian dollars ($), which is the Company's functional and presentation currency.

(e) Listing costs

Under AASB 132 Financial Instruments: Presentation, Incremental / Incidental costs that are directly attributable to issuing new shares should be deducted from equity (net of any income tax benefit); and

- Costs that relate to the stock market listing, or are otherwise not incremental and directly attributable to issuing new shares, should be recorded as an expense in the statement of profit or loss and other comprehensive income.

- Costs that relate to both share issuance and listing should be allocated between those functions on a rational and consistent basis (AASB 132.38). In the absence of a more specific basis for apportionment, an allocation of common costs based on the proportion of new shares issued to the total number of (new and existing) shares listed is an acceptable approach.

(f) Going concern

The Financial Report has been prepared on a going concern basis.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2019

1 Summary of Significant Accounting Policies (cont.)

(g) Share based payments

Equity settled share-based compensation benefits are provided to certain employees, Directors and members of the Company's Advisory Council as part of an employee share option plan. They comprise of options over shares and were acquired for a premium.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is determined using a Black Scholes pricing model that takes into account exercise price, the option life, the share price on grant date and expected volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the for the effects of non-transferability, exercise restrictions and behavioural considerations.

Unless otherwise determined by the Board, an option holder must continue to be employed by the Company in order to exercise the option. Options may only be exercised during the relevant exercise window as outlined in Note 15.

Options do not carry any dividend entitlement. Shares issued on exercise of options will rank equally with other issued share of the Company on and from issue. There are no inherent participating rights or entitlements inherent in the options.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting term.

The premium received by the Company on the issue of the options is taken to equity and amortised over the life of the option.

(h) Right of use asset

A right of use asset is recognised at the commencement date of a lease. The right of use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred. They are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Right of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities. The Group has elected not to recognise a right of use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(i) Lease liability

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise fixed payments less any adjustments as required under the relevant accounting standard. Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured when required under the accounting standard.

(j) Application of new and revised Accounting Standards

The Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and which became mandatory for the current reporting period. These Accounting Standards and interpretations did not have any significant impact on the financial performance or position of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 30 JUNE 2019

(j) Application of new and revised Accounting Standards (cont.)

AASB 16: Leases (effective for annual reporting periods beginning on or after 1 Jan 2019) (AASB 16)

AASB 16 replaces existing leases guidance, including AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases – Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

AASB 16 introduces new requirements for the recognition of lease assets and lease liabilities in the Consolidated Statement of Financial Position. The measurement of the lease liability and right of use asset will be determined with reference to the period over which the consolidated entity is expected to benefit from the lease and will be disclosed as current or non-current accordingly. The right of use asset will be amortised over the shorter of the lease term or useful life of the asset, resulting in a depreciation and amortisation charge. The unwinding of the discount on the lease liability will be disclosed as a financing cost in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The new standard is likely to result in a reduction in the consolidated entity's occupancy expenses as lease costs will instead be allocated to the depreciation and amortisation charge on lease assets and interest expense on lease liabilities. The interest expense applicable will be disclosed as a financing cost in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. There are recognition exemptions for short-term leases and leases of low-value items.

The Group has adopted AASB 16 from 1 January 2019, using the modified retrospective approach and therefore has not restated comparatives. The Group has also elected not to apply the requirements to leases ending within 12 months of the date of initial application of the standard. The Group has also elected not to recognise a right of use asset for short-term or low value leases for its New York and Tokyo leases. It has resulted in the Group's lease of office space in Sydney to be recognised on the Consolidated Statement of Financial Position. The adoption had no material impact on the company's balance sheet.

In the transition to AASB 16, the Company adopted the following practical expedients:
- Applied a single discount rate of 6%;
- Right of use asset and lease liability were recognised at $1,805,000 at inception; and
- Initial direct costs are excluded from the measurement of right of use assets at the date of initial application.

2 Management and performance fees

Management fee revenue and performance fee revenue comprise revenue from contracts with customers. Management fee revenue is recognised in the profit or loss over the period the service is provided. Management fees are based on a percentage of the portfolio value of the fund or mandate and paid following the end of each month in arrears.

Performance fees may be earned from funds and mandates. Performance fees are generally subject to either a high-water mark arrangement or a deficit clause, which ensures that fees are not earned more than once on the same performance. The Group's entitlement to future performance fees from VGI funds and mandates is dependent on the net asset value of the relevant portfolio exceeding the high-water mark. The high-water mark is the net asset value price at the end of the most recent calculation period for which the Group was entitled to a performance fee, adjusted for additions and redemptions. Each VGI fund or mandate has its performance fee calculated based on performance over the period of time determined in its investment management agreement, constitution or trust deed ("Performance Calculation Period").

In relation to the seasonality of management and performance fees:
- management fees are received each month and therefore are not seasonal; and
- the Company does not accrue performance fees until the end of the relevant Performance Calculation Period.

As the majority of the VGI funds or mandates have performance fees calculated at 30 June, performance fees have historically been weighted towards the first half of the calendar year.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

3 Operating segments

Identification of reportable operating segments

The main business activities of the group are the provision of investment management services. The Board of Directors are identified as the Chief Operating Decision Makers ("CODM"), and they consider the performance of the main business activities on an aggregated basis to determine the allocation of resources. Other activities undertaken by the Group, including investing activities, are incidental to the main business activities. Based on the internal reports that are regularly reviewed by the CODM, the Group has one operating segment being the provision of investment management services with the objective of offering investment funds to high net worth and retail investors primarily in Australia and New Zealand.

4 Leases

The Group has identified that its Sydney lease should be recognised as a right of use asset under AASB 16.

	Consolidated	
Right of use assets	**As at 30 June 2019**	**As at 31 December 2018**
	$000's	**$000's**
Balance at 1 January 2019	**–**	**–**
Recognition of 39/41 Phillip St	1,805	–
Depreciation charge for the year	(60)	–
Balance at 30 June 2019	**1,745**	**–**
Non-current	1,745	–
Total	**1,745**	**–**

Lease liability		
Balance at 1 January 2019	**–**	**–**
Recognition of 39/41 Phillip St	1,805	–
Cash payments	(63)	–
Interest expense	9	–
Balance at 30 June 2019	**1,751**	**–**
Current	289	–
Non-current	1,462	–
Total	**1,751**	**–**

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

5 Trade and other receivables

	Consolidated	
	As at 30 June 2019	**As at 31 December 2018**
	$000's	**$000's**
Trade receivables and accruals	38,984	7,829
Prepayments	134	306
Interest receivable	1	8
	39,119	**8,143**

The Company has assessed the expected credit loss for these receivables, however, the amount to be recognised is considered immaterial.

6 Trade and other payables

	Consolidated	
	As at 30 June 2019	**As at 31 December 2018**
	$000's	**$000's**
Current		
Trade payables	10,629	237
Other creditors and accruals	153	206
VG1 Advisory Agreement	5,499	2,759
GST payable (net)	2,316	550
	18,597	**3,752**
Non-current		
VG1 Advisory Agreement	1,686	4,149
	1,686	**4,149**

In connection with the IPO of VG1 in September 2017, the Company entered into a contract (VG1 Advisory Agreement) with a third party to assist with the equity raising process, in return for a share of future management fees which the Company expected to earn under its Investment Management Agreement with VG1.

The net present value of the expected future payments as at 30 June 2019 was $7,184,548 (31 December 2018: $6,908,054), classified as a $5,498,773 (31 December 2018: $2,759,396) current liability and a $1,685,775 (31 December 2018: $4,148,658) non-current liability.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

7 Current and non-current liabilities - Employee entitlements

	Consolidated	
	As at 30 June 2019	**As at 31 December 2018**
	$000's	**$000's**
Employee benefits current	3,334	1,475
Employee benefits non-current	142	363
	3,476	**1,838**

Employee benefits represents annual leave, long service leave and bonus entitlements accrued.

8 Issued capital

	30 June 2019 Number	**31 December 2018 Number**	**30 June 2019 $000's**	**31 December 2018 $000's**
Founder shares	–	1,000,000	–	208
Class A shares	–	266,666	–	408
Ordinary shares *	67,067,710	–	72,863	–
Total issued and paid up capital	**67,067,710**	**1,266,666**	**72,863**	**616**

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of shareholders.

In the event of the winding up of the Company, ordinary shareholders rank after all creditors and are fully entitled to any proceeds of liquidation.

* Prior to the listing of its shares, the Company converted the existing 1,240,891 shares on issue into a single class of 53,431,346 shares for nil consideration. As part of its IPO in May 2019, the Company issued 13,636,364 shares for consideration of $75,000,002.

Refer to the movement during the interim period below:

Details	**Date**	**Movement**	**Cumulative**
Opening balance	1 January 2019		**1,266,666**
Share alignment	6 May 2019	(25,775)	1,240,891
Pre-IPO share split	21 June 2019		53,431,346
IPO – share issuance	21 June 2019	13,636,364	67,067,710
Closing balance	30 June 2019		**67,067,710**

For the half-year ending 30 June 2019, there was a share alignment between existing Class A shareholders.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

9 Donations

Since establishment in 2008, the Company has actively supported charitable and community causes. The VGI Partners Foundation was formed in 2018 together with the establishment of a new Charitable Foundation Class of investment in the VGI Partners Master Fund, with 100% of management fees and performance fees earned by the Company on that class to be donated to The VGI Partners Foundation in perpetuity.

During the period, $305,000 was donated to The VGI Partners Foundation from management fees and performance fees earned by the Company on the Charitable Foundation Class.

10 Equity raising costs – non-recurring

In May 2019, the Company raised $75 million through an IPO of approximately 20% of its issued Shares. This was completed in conjunction with an additional capital raise for VG1 for $300m in new capital via a placement and a renounceable entitlement offer. As part of the IPO process, the Company engaged a number of third-party providers to assist both with the IPO and capital raising.

In accordance with AASB 132 Financial instruments: Presentation, the Company has identified and allocated all costs directly associated to the IPO to be deducted from equity:

	As at 30 June 2019 $000's
Attributable to equity	3,874
Expensed through the statement of profit and loss and other comprehensive income	5,724
Total	**9,598**

11 Dividends *

	Consolidated	
	Half-year ended 30 June 2019 $'000	**Half-year ended 30 June 2018 $'000**
Fully-franked dividends at 30% paid / declared during the year:		
- 1 cent per share declared on 29 January 2018 and paid on 29 January 2018	–	674
- 5 cents per share declared on 18 April 2018 and paid on 18 April 2018	–	3,000
- 36 cents per share declared on 30 June 2018 and paid on 27 July 2018	–	21,000
- 3 cents per share declared on 16 January 2019 and paid on 18 January 2019	1,500	–
- 4 cents per share declared on 29 January 2019 and paid on 29 January 2019	2,235	–
- Dividend on share alignment paid on 6 May 2019	122	–
- 17 cents per share declared on 13 May 2019 and paid on 21 June 2019	8,975	–
	12,832	**24,674**

* Dividend per share adjusted for pre-listing share conversion and rounded to the nearest cent

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

12 Unconsolidated entities

The Company manages several investment funds and holds an interest in these unconsolidated structured entities through the receipt of management and performance fees. The unconsolidated structured entities are individually managed accounts, wholesale investment schemes in the form of unlisted trusts, offshore domiciled companies and a Listed Investment Company.

These unconsolidated structured entities invest in a range of asset classes. The unconsolidated structured entities have investment objectives and policies that are subject to the terms and conditions of their respective offering documentation. However, all unconsolidated structured entities invest capital from investors in a portfolio of assets in order to provide a return to those investors from capital appreciation of those assets, income from those assets, or both. Accordingly, they are susceptible to market price risk arising from uncertainties about future values of the assets they hold. The unconsolidated structured entities are financed through equity capital provided by investors of which the Company does not hold any material equity interest.

Maximum Exposure to loss

The Company's maximum exposure to loss associated with its interest in these uncontrolled structured entities is limited to the carrying amount due from related parties of $38,984,000 (31 December 2018: $7,829,000) which has since been received.

13 Related party transactions

13.1 Ultimate Parent Entity

VGI Partners Limited is the ultimate parent entity.

13.2 Related party transactions

The Company provides investment management services to the following related parties:

i) The VGI Partners Master Fund, an Australian unit trust. The Company manages the portfolio of the Master Fund in its capacity as the trustee of the Master Fund; and
ii) Its ASX-listed investment company, VG1.

The total related party fees recognised in the half-years ended 30 June 2019 and 30 June 2018 are as follows:

	Consolidated	
	Half-year ended 30 June 2019 $000's	**Half-year ended 30 June 2018 $'000**
Management and performance fees received/receivable from unlisted vehicles	23,252	24,964
Net expenses paid/payable on behalf of unlisted vehicles	(111)	(165)
Management and performance fees received/receivable from listed vehicles	11,257	7,460
Net expenses paid/payable on behalf of listed vehicles	(391)	(380)

The Company also receives management and performance fee income from non-related parties.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

14 Key management personnel

The Company listed on the ASX on 21 June 2019. Please refer to the prospectus for details on key management personnel remuneration arrangements.

15 Share Based Payments

Details of the employee share option plan

During the half-year, the Company established a share option scheme for certain employees and members of the Company's Advisory Council. Each option entitles the option holder to acquire one share in the Company upon exercise and payment of the applicable exercise price. The key terms of the share options scheme are listed below:

Employee Option Plan	Number of Options	Equivalent number of shares	First Exercise Date *	Exercise Price ($)
Tranche 1	873,920	873,920	2nd anniversary	6.16
Tranche 2	873,920	873,920	3rd anniversary	6.16
Tranche 3	873,920	873,920	4th anniversary	6.16
Tranche 4	1,747,851	1,747,851	5th anniversary	6.16
Total	**4,369,611**	**4,369,611**		

* The exercise period opens one month before each anniversary

Director and Advisory Council Option Plan	Number of Options	Equivalent number of shares	First Exercise Date *	Exercise Price ($)
Tranche 1	438,307	438,307	3rd anniversary	6.16
Total	**438,307**	**438,307**		

* The exercise period opens six months before each anniversary

Employee options will be exercisable for a period of one month, commencing on the first exercise date applicable to the relevant tranche (exercise window) as set out in the table above. Similarly, all director and advisory council options will be exercisable for a period of six months from first exercise date. Each option will expire if it is not exercised within the relevant exercise window. The vesting period of the options runs from the grant date to the first exercise date as shown in the table above.

The offer price is paid or payable by the recipient on receipt of the option.

Fair value of share options granted in the period

The weighted average fair value of the options premium is derived using a Black Scholes pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 30 JUNE 2019

16 Earnings per share

	Consolidated	
	Half-year ended 30 June 2019	**Half-year ended 30 June 2018**
	$'000	**$'000**
Profit after income tax used in calculation of basic and diluted earnings per share	20,560	28,576
	Number	**Number**
Weighted average number of ordinary shares outstanding during the period used in calculating basic earnings per share *	54,883,888	58,253,895
Weighted average number of ordinary shares outstanding during the period used in calculating diluted earnings per share *	55,012,766	58,253,895
	Cents	**Cents**
Basic earnings per share	37.46	49.05
Diluted earnings per share	37.37	49.05

* Number of shares for the 2018 comparative is adjusted for pre-listing share split

17 Subsequent events

The Directors have declared a fully-franked dividend of $17,200,000, which will be paid on 16 September 2019.

In accordance with an ASX lodgement dated 5 August 2019, the Company announced that it is at an advanced stage in establishing a new investment strategy focused on equity investments in companies listed in Asia or significantly exposed to the Asian region.

Investors will be able to access this strategy through a new ASX-listed investment company, VGI Partners Asian Investments Limited. Subject to market conditions, invitations to apply for ordinary shares in VG8 in an IPO will be made during the 2019 calendar year.

The Directors are not aware of any other event or circumstance since the end of the financial period not otherwise dealt with in the financial statements, that has, or may, significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial periods.

Deloitte.

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Independent Auditor's Review Report to the Members of VGI Partners Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of VGI Partners Limited (the "Company"), which comprises the condensed consolidated statement of financial position as at 30 June 2019, and the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of VGI Partners Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of VGI Partners Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of VGI Partners Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Stuart Alexander
Partner
Chartered Accountants
Sydney, 27 August 2019